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June 5, 2009

VIA OVERNIGHT MAIL
PERSONAL AND CONFIDENTIAL

The Honorable Robert E. Gerber
United States Bankruptcy Court
Southern District of New York
One Bolling Green
New York, New York 10004-1408

Re: Appeal of D.S.U.-Peterbilt & GMC, Inc. to
General Motors Corporation of its Decision to Terminate
Light Duty Truck Line Dealer Agreement

Dear Judge Gerber:

Our office serves as general corporate counsel to D.S.U.-Peterbilt & GMC, Inc., an Oregon corporation ("DSU"). DSU received written notification from General Motors Corporation ("GM") dated June 1, 2009 of GM's decision to terminate the longstanding written Dealer Agreement by and between DSU and GM for the Light Duty truck line.

As an accommodation to DSU and in accordance with its request, we enclose for your information, a copy of the written appeal that DSU sent to GM yesterday requesting that GM reconsider and reverse its decision to terminate the Light Duty Truck line Dealer Agreement with DSU. The enclosed appeal was also sent to GM via e-mail on June 4, 2009, all in accordance with the manner and protocol required by GM.

Sincerely,

Christian M. Oelke

CMO/mf

From: Jan Yost [mailto:jyost@dsutrucks.com]
Sent: Thursday, June 04, 2009 3:11 PM
To: GMDEALERNETWORKQUESTIONS@GM.COM
Cc: michael.j.stinson@gm.com
Subject: Wind down agreement appeal

General Motors Corporation
Mark LaNeve, GM North America
Vice President, Vehicle Sales, Service and Marketing

Re: GM Dealer Network Restructuring Wind Down Review
D.S.U.-Peterbilt & GMC, Inc., an Oregon corporation
4810 N. Basin Ave.
Portland, Oregon 97217
BAC: 119434

To Whom It May Concern:

In accordance with the email from Vice President LaNeve of 9:40 am this morning, please accept this as the request of D.S.U.-Peterbilt & GMC, Inc. ("DSU") for reconsideration of the decision of GM to terminate its Truck Dealer Agreement for its Light Duty truck line with DSU as stated in your June 1, 2009 notice letter and its accompanying Wind Down Agreement.

In support of your reconsideration, we offer the following:

1. DSU has a long and excellent history with GM, being first appointed as a GM dealer in 1976. Its years of continued, uninterrupted service to its customers and the community have earned it significant respect and credibility in the significant area in which DSU serves as a GM representative. DSU is locally and privately owned and operated and represents the best of free enterprise success.

2. DSU does not handle lines that compete with GMC; DSU is authorized to sell and service GM Light Duty and Medium Duty trucks as well as Heavy Duty Peterbilt trucks. The GM Light Duty line is complementary to its GM Medium Duty line. Heavy duty facilities are located at separate locations from our GMC dealership:

5555 N. Lagoon Ave., Portland, OR 97217
3727 N. Phoenix Rd, Phoenix , OR 97535
2408 Talley Way, Kelso WA 98626

3. DSU is currently operating with \$12,820,000 of working capital.

4. DSU has maintained and improved its facilities and has implemented upgrades such as sales offices, admin offices, major investments in Computers and software and web presence and internet sales.

5. DSU is located within Portland, Oregon, the largest metropolitan area on the West Coast between Seattle, Washington and San Francisco, California. With the rumored termination of dealerships in Bend, Redmond, and Salem, Oregon, among others, a strong GMC presence in the Portland market would serve truck buyers in the those nearby areas.

6. DSU is operating a profitable dealership, with gross profit averaging above \$14,000,000 for fiscal years 1999 through 2008, with a gross profit of \$14,430,000 for fiscal year 2008. Our calendar year GM statements show the following net profits after tax:

2008	\$181,000
2007	\$915,000
2006	\$1,034,000
2005	\$835,000
2004	\$818,000

Our current year statement for 2009 from January through April shows \$275,000 profit.

7. DSU is at a loss to understand the decision of GM to terminate its relationship, given the fact that DSU has excelled in all GM program requests, including:

- a. DSU has participated in the SFE program since its inception. DSU currently has achieved a higher percentage of goal in for both April and May of 2009 than the Region percentage
- b. DSU has annually participated "Mark of Excellence" program to include enrollment of sales staff in the "GM Performance Rewards" program
- c. DSU has always met or exceeded all GM Training Standards for both sales and service
- d. DSU's inventory stocking levels have always exceeded GM expectations
- e. DSU has earned 100% CSI Satisfaction Status for many years, to include the last month and the last twelve months
- f. DSU has earned "Goal Quest Participation" in every GM program since inception
- g. GM PIE is attended by all Sales, Management and Dealer personnel
- h. DSU attends all GM local and national meetings and training sessions

- i. DSU is a Member of every GM Dealer and Corporate Advertising Group and Program, to include the LAM Dealer Group (when GM needed DSU to participate when other dealers refused so group could be established, even though DSU could not promote its commercial activities.
- j. DSU has, both monthly and annually out performed all Pacific Northwest GMC Dealers in both Commercial and Fleet Sales, both individually and combined, and
- k. DSU's Dealer is a member of current National Dealer Council
- l. DSU has on staff one of the few GM certified "World Class Technicians" and is the local area "go to" shop to resolve problem repairs for GM and other dealers
- m. DSU has more annual GMC sales than any Dealer in the State of Oregon

In summary, DSU has fulfilled or exceeded all GMC requirements, has shown excellent results in representing the GMC brand, has established itself as an entity of high caliber and integrity both locally, in its market and nationally, and is a complement to the GMC brand in every way.

DSU wishes to be permitted to continue its proud representation of GMC products and services and respectfully requests reconsideration of its selection for termination of its long-standing, successful and proud representation of GMC.

Jan Yost
President
DSU Peterbilt & GMC, Inc.